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NATURAL RESOURCES

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Director



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS, AND MINING 1588 West North Temple Salt Lake City, Utah 84116 (801) 533-5771

April 3, 1979

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Mr. Steven P. Ogden Environmental Specialist Energy Fuels Nuclear, Inc. Suite 900, Three Park Central 1515 Arapahoe Denver, Colorado 80202

Re: Letter of February 23, 1979

Dear Mr. Ogden:

Thank you for submitting the February 23, 1979 notice concerning Energy Fuel's proposed Prospector 4 Project located in Section 4, Township 27 South, Range 3 West, Piute County, Utah.

After reviewing the proposal, the Division staff has made the following observations:

- More than 500 tons of material will be mined in a period less than twelve consecutive months.
 (132 ft. + 273 ft. of shaft) * 10 ft. width * 7 ft. assumed mean height * 1/27 yd³/ft³ * 3900 1b/yd³ * 1/2000 ton/1b = 2047.5 tons.
- 2. The area of surface disturbance is undefined.

The Division will accept the proposed as an exempt mining operation, as defined in Section 40-8-4(6) of the Utah Mined Land Reclamation Act, if Energy Fuels can demonstrate that less than two acres of surface area will be disturbed. Your prompt reply to this question will be most helpful.

I must appologize for the delay in my response. It took some time to obtain an opinion if this proposal should be classified as exploration, to be handled by Rule M-3(5), or an exempt mining operation.

Sincerely,

K. MICHAEL THOMPSON

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ENGINEERING GEOLOGIST